



Canonical ID: 08PARIS750_a
Subject: AUSTRALIA GROUP: PLENARY MEETING, PARIS, APRIL 14-18, 2008
From: France Paris
To: Department of Commerce, Department of Energy, Department of Homeland Security, Secretary of Defense, Secretary of State
Original Classification: SECRET
Current Classification: SECRET
Previous Handling Restrictions: -- Not Assigned --
Archive Status: -- Not Assigned --
Type: TE
Locator: TEXT ONLINE
Reference(s): -- N/A or Blank --
Executive Order (E.O.): -- Not Assigned --
Markings: -- Not Assigned --
Enclosure: -- Not Assigned --
Concepts: -- Not Assigned --
TAGS: Australia [AS]
France [FR]
Office of Chemical and Biological Weapons [CBW]
Political Affairs--Arms Controls and Disarmament [PARM]
Political Affairs--External Political Relations [PREL]
Russia [RS]
Trade and Technology Controls [ETTC]
Office: -- N/A or Blank --
Document Character Count: 35516
Date: 2008 April 18, 16:41 (Friday)

S E C R E T PARIS 000750

SIPDIS

SIPDIS

DEPARTMENT PLEASE PASS TO AUSTRALIA GROUP COLLECTIVE;
ALSO PLS PASS ISN, INR, EUR, AND EAP

E.O. 12958: DECL: 04/16/2033
TAGS: PARM, PREL, ETTC, AS, FR, RS, CBW
SUBJECT: AUSTRALIA GROUP: PLENARY MEETING, PARIS, APRIL 14-18, 2008

REF: A. 07 MOSCOW 5535

B. 07 PARIS 2593

Classified By: ESTH/NP COUNSELOR ROBERT W. DRY FOR
REASONS 1.4 (B), (D), (E), and (H).

SUMMARY AND OVERVIEW



1. (C) The Australia Group (AG) held its 2008 plenary in Paris from April 14-18. In addition to approving several updates to the AG's Guidelines and control lists, the Group discussed Russia's continued interest in membership. AG members continued to express concern about Russia's implementation of export controls and lack of transparency regarding its chemical and biological weapons (CBW) activities, and agreed on a potential on a technical outreach visit to discuss Russia's export control system. The Group shared intelligence information through a day-long information exchange and enforcement officers shared best practices and case studies during an enforcement exchange meeting. The Group noted its continuing relevance to international nonproliferation norms and its support of the Chemical Weapons Convention, Biological Weapons Convention and United Nations Security Council Resolution 1540.

2. (SBU) After a year of collaboration, AG members hosted a technical experts meeting to discuss oligonucleotides and advances in synthetic biology that included a number of informational and policy presentations. AG members adopted a list of indicators to assist suppliers in identifying suspicious orders of synthetic nucleic acid sequences and also **decided to formally expand the scope of the expert group to keep AG members informed of technological advances in synthetic biology.**

3. (C) The Group also made the following decisions:

-- Amending the dual-use chemical and biological equipment control lists to address intangible transfers of technology and adopting a best practices guide for intangible transfers of technology.

-- Amending the definition of highly pathogenic avian influenza to bring it line with the newest international standards.

-- Agreeing to add a section to the public AG website concerning AG membership criteria.

APRIL 14 CONSULTATIONS

4. (C) The U.S. Del met with the Australia delegation and AG chair Ian Biggs on April 14 to discuss the plenary agenda and share views on expected outcomes. There was general U.S.-Australia agreement on the major issues to be covered during the week and both sides agreed that continued bilateral meetings prior to each plenary were beneficial to both countries.

OLIGONUCLEOTIDES EXPERTS MEETING



5. (SBU) The Chair presented his objectives for the meeting, which were to: expand the scope of the oligonucleotides discussion group to encompass synthetic biology, approve a checklist for suspicious orders, and look at discussion items for the intersessional period. The Chair summarized comments expressed by Australia Group members, including a strong preference for a short checklist, concerns that technology could not support the screening of oligonucleotide orders, and broad support for expanding the discussion group's scope.

6. (SBU) Proposal to Change the Oligonucleotide Group's Title: Korea asked the Chair about the state of the oligonucleotides discussion. The Chair responded that the AG members **decided last June that export controls were not appropriate for oligonucleotides and that the group should instead develop a checklist for suspicious international orders of oligonucleotides.** During the intersessional period, **members did not express an intent to pursue export controls for synthetic biology. New Zealand endorsed the**

proposal to change the group's name, suggesting that a broader focus on synthetic biology would enable the group to better address advances in the field.

7. (SBU) Suspicious Orders Checklist: The European Commission (EC) raised the issue of whether it was the mission of the AG to control synthetic biology. The Chair clarified that the proposed oligonucleotides checklist was developed out of the awareness raising guidelines for general biotechnology providers that were developing in 1990. The EC was not convinced and restated a concern that the checklist could be difficult to implement. Korea expressed concerns that **controlling oligos could hamper academic, medical, and biodefense research,** but noted that it currently uses a number of checklists in association with its export control system and did not foresee problems implementing an oligos checklist. The Netherlands shared the view that export control of oligos is not appropriate at this time, but encouraged continued discussion on the extension of the discussion group's scope. The U.S., UK, Canada, and Germany supported this view and stressed the AG's role as a leader in chemical and biological industry outreach and risk reduction.

8. (SBU) Australia asked whether the group should reorder items on the list based on their priority and suggested changing the title to read 'Guidelines For Screening Suspicious Orders' and broadening the scope to include synthetic nucleotide sequences of any length. The UK supported this suggestion and proposed to use the term 'identifying' instead of screening. The Netherlands noted that list is somewhat duplicative with the AG's current awareness raising guidelines, but observed that the synthetic biology industry includes new entities that have not been



traditional targets of AG outreach. Japan suggested that the guidelines should allow a maximum amount of national discretion for implementation. The UK responded with the 'illustrative list of indicators' to address Japan's point. The Chair stated that his aim was to make a one page list of guidelines with relevant examples, but allowed that the list could be shortened or reordered to better fit national outreach programs. The U.S. expressed support for this approach. New Zealand expressed support for the checklist and stressed that customers and suppliers in the synthetic biology industry could be academic or commercial. The EC expressed reservation with the checklist's note that suppliers 'should' report all suspicious orders of oligonucleotides to relevant authorities because it has a mandatory element. The EC suggested that orders should only be considered suspicious if the requestor exhibits multiple checklist characteristics. Canada offered that the checklist note could be revised to read that suppliers are 'encouraged' to report suspicious orders to address the European Commission's concern.

9. (SBU) Overview of Advances in Synthetic Biology: The U.S. Defense Department provided a presentation on recent advances in synthetic biology. The presentation included discussion of DNA synthesis technology and genetic determinants of virulence and identified technology trends of interest to the AG. A representative from Denmark's National Center for Biological Defense provided an overview of advances in DNA sequence screening. The presentation described available tools for sequence screening and their use by commercial providers of synthetic nucleic acids. The presentation included two topics for discussion by the AG, including whether it would be beneficial for the AG to develop and endorse software for the screening of synthetic nucleic acid orders and when a synthetic nucleic acid becomes a 'genetic element' under the AG's biological agent control list. Australia expressed concern that the concept of a multifactorial genetic basis of virulence would lessen the effectiveness of screening measures. A representative from the UK's Defence Science and Technology Laboratory provided a presentation on Royal Society initiatives on synthetic biology, the objectives of which are to promote the exchange of information on synthetic biology, identify policy gaps, and stimulate policy activities. After the presentation, Canada suggested that it would be useful to define the concept of synthetic biology in the context of the AG. The Netherlands reported that in 2007 at the Biological and Toxin Weapons Convention review conference, States Parties began examining Codes of Conduct for synthetic biology as a confidence building measure. The Netherlands also noted domestic efforts to stimulate codes of conduct in their synthetic biology industry. This information is available at (<http://www.knaw.nl/biosecurity>). The U.S. discussed the

outcome of a National Science Advisory Board for Biosecurity



study on synthetic biology, including a recommendation for establishing a screening program for domestic orders of gene-length nucleic acid sequences. The U.S. offered to share outcomes of domestic policy discussions as they become available. Australia thanked the U.S. and Netherlands for their comments and discussed its own efforts to promote workplace codes that include awareness of international obligations, national laws and regulations, and dual-use characteristics.

10. (SBU) Consideration of Possible AG Responses to these Advances: The Chair gave his sense that AG members preferred awareness raising measures over export controls and the Australian delegation stressed the need for keeping the AG's options open in a rapidly changing scientific field, including controls on nucleic acid synthesizers in the future. The U.S. encouraged further discussion of Denmark's question regarding the applicability of the AG's genetic element controls to synthetic biology and emphasized need to define technology that could be used for screening sequences. The Netherlands supported the U.S. statement and emphasized that the AG should continue examining controls on equipment associated with synthetic biology, though such controls may not be appropriate at this time. The UK suggested applying end-user controls when appropriate.

11. (U) Next Steps: The U.S. suggested exchanging information over the coming year on domestic regulatory initiatives and the self-governance activities of commercial and academic entities. There was a sense among AG members that another experts meeting should be held on the margins of the next plenary session.

PLENARY SESSION I

12. (U) Chair's Introduction: The first plenary session of the 2008 plenary session was convened by Australia Group Chair Ian Biggs on April 16. Biggs thanked France and the Organisation for Economic Cooperation and Development for accommodating the plenary and identified Russian and Kazakh interest in membership, expanding outreach and representation in Asia, agreeing to guidelines on suspicious orders of synthetic polynucleotides, analysis of chemical and biological weapons trends, law enforcement topics, and consideration of several policy proposals as key issues for this year's meeting. He also noted that the AG continues to be a global leader on export controls and emphasized the Group's cooperative, progressive and like-minded manner.

14. (SBU) Opening Statements: Slovenia delivered an opening statement as president of the European Union thanking Australia for its continued leadership of the AG and emphasized the EU's firm belief that the AG continues to



prevent the proliferation of chemical and biological weapons. The EU believes also the AG's criteria-based export control measures do not hamper international trade and are consistent with State Parties' obligations under the Chemical Weapons Convention and Biological Weapons Conventions. Slovenia also noted that harmonization with AG guidelines is a requirement for EU accession and was pleased to see states petitioning for EU membership (Croatia and Turkey) represented among AG members. Slovenia stressed the need to balance the benefits of expanding AG membership with the efficiency costs of expansion and welcomed additional outreach to Russia. Ukraine provided opening remarks that emphasized the GOU's commitment to all international nonproliferation and arms control measures and mentioned recent outreach activities on export controls, biosecurity and ethics in the field of genetic engineering. The U.S. opening statement stressed the AG's role in setting international standards, international outreach and assisting capacity building and praised the AG's ongoing discussions of synthetic biology and proliferation risks. Canada gave an open statement stressing the value of AG as an information sharing forum and underlined the AG's role as in the context of the Proliferation Security Initiative and United Nations Security Council Resolution (UNSCR) 1540.

15. (SBU) Australia Group and International Conventions: The Netherlands presented on the first week of the Chemical Weapons Convention (CWC) Second Review Conference, noting strong progress on universality and dwindling criticism for the AG among States Parties. The Netherlands also expressed

doubts that chemical weapons (CW) possessor-states would meet their destruction obligations by 2012. The UK presented on the December 14, 2007 Meeting of States Parties of the Biological Weapons Convention (BWC), including efforts to encourage national implementation, strengthen export controls, and establish an international support unit facilitate BWC activities.

16. (S) Membership:

-- The AG chair reviewed the previous AG chair's (John Sullivan) report on his outreach visit to Moscow on November 20, 2007 (Ref A) and recalled that there was no consensus to have an informal session on the margins of the 2008 plenary in which Russia could make its case for membership. Switzerland, Norway, France, Canada and the U.S. stated that Russia continues to be important to global nonproliferation efforts, but expressed concerns that Russia would have to be more transparent regarding its current and past CBW activities and has not implemented some AG controls. France suggested that the AG chair conduct technical outreach visit to Moscow to raise Russian export control standards and engage in the areas of brokering and intangible transfers of technology. This proposal was the agreed way forward.



-- The AG chair reported that Kazakhstan made an informal expression of interest in AG membership in August 2007 and on the margins of the Moscow outreach visit in November 2007. The AG chair welcome Kazakh interest and went over the application procedure and criteria for AG membership, but Kazakhstan did not indicate when it might submit a formal expression of interest. Korea and Canada noted the importance of Central Asia as a transshipment pathway and cited recent Kazakh efforts to improve compliance with the CWC, BWC and nonproliferation norms. Both countries, however, stated that it was premature to discuss AG membership.

17. (U) Outreach: The AG chair summarized his outreach activities undertaken with non-members, noting specific requests for assistance made by Jordan, Serbia, and Thailand. The AG chair encouraged AG members to contact these states directly if they could provide any assistance and report on their efforts at the next Plenary. The AG chair noted that he was unable to go ahead with planned outreach trips to China and Taiwan, but stated that he would certainly attempt to do so this year. The U.S., Croatia, EC, Germany, Japan and Australia presented on outreach activities to non-members. Bulgaria and Hungary announced a suspension of their joint Balkans Regional Action Plan to eliminate duplication with other outreach programs in the Balkans. The United Kingdom, Japan, Germany and the Netherlands encouraged AG members and the chair to plan outreach activities with Brazil, Mexico, Israel, Serbia, and South Africa.

IMPLEMENTATION MEETING

18. (C) Chemical Issues:

-- The plenary did not agree to adopt the Canadian-UK proposal for controlling ceramic-coated valves (AG/Mar08/CL/CDN/5 and AG/Mar08/CL/GB/32). The U.S. and Australia expressed interest in discussing the technical specifications and application end-use issues raised by the Canadian proposal intersessionally.

-- The plenary did not agree to adopt the UK proposal for adding 'sensors' to the current control for toxic gas monitoring systems (AG/Mar08/CL/GB/31). Finland suggested using the phrase 'specially-designed components' as a broader alternative. The AG members could not reach consensus on this suggestion and the AG chair suggested that members consider it intersessionally.

-- The plenary did not agree to adopt the Finnish proposal for controlling related software used in dual-use chemical and biological equipment (AG/Mar08/CL/Fin/4). Finland and



the Netherlands suggested that AG members could address the issue by revising the AG Guidelines to include software in the list of items covered by current controls. Australia, the U.S. and Canada were concerned that the Finnish proposal would control publicly-available chemical signature databases. The AG chair suggested that AG members consider the proposal intersessionally and provide comments to Finland.

19. (C) Biological Issues:

- Spain withdrew their proposal to develop a sensitive biological agents list (AG/Mar07/CL/E/1) from consideration at the implementation meeting (Ref B).

- The plenary agreed to adopt the German proposal to revise the related technology portions of the dual-use chemical and biological equipment control lists to include intangible technology transfers (AG/Mar08/CL/D/4.Rev1). (Ref B)

- The plenary did not agree to adopt the joint U.S.-UK proposal to revise the cross (tangential) flow filtration entry in the dual-use biological equipment control list to address new technology trends (AG/Apr08/CL/USA/15 and AG/Apr08/CL/GB/33). Several questions were raised during discussions and AG members agreed to discuss this proposal intersessionally to modify the proposal for presentation at the 2009 plenary.

- The plenary agreed to adopt a modified version of the U.S. proposal to revise the definition of Highly Pathogenic Avian Influenza (HPAI) on the animal pathogens control list. Canada, New Zealand, and Switzerland expressed support for the U.S. proposal (AG/Mar08/CL/USA/14.Rev1). During discussion on the margin, AG members proposed amending AG Guidelines to allow AG members to use the internationally accepted definitions, such as the World Animal Health Organization or the regulatory definition adopted by the European Union.

20. (SBU) Further Enhancement of Implementation Measures:

The U.S. presented a discussion paper on potential clarifications for the dual-use chemical equipment control list and suggested that the issues raised by the paper be included intersessional discussions of the Canadian-UK ceramic-coated valves proposal. The U.S. presentations on export control gap analysis and the proliferation risks posed by resellers of used biological equipment were withdrawn, but copies of the presentations were distributed to AG members. New Zealand announced that their catch-all legislation has been passed by parliament and the regulations will come into effect in October 2008.

21. (SBU) Report on the Oligonucleotide Technical Experts Meeting: The chair of the experts working group gave a report



to the implementation chair outlining the results of the year long collaboration of the group, including requesting approval to change the name of the group to the 'Synthetic Biology Working Group' and the adoption of the 'Illustrative List of Indicators to Identify Suspicious Orders of Synthetic Nucleic Acid Sequences.' Both proposals were approved by the working group and these recommendations were forwarded to the plenary for formal adoption. It was agreed to continue the working group.

INFORMATION EXCHANGE MEETING

22. (C) 30 presentations were made by 12 AG members on chemical and biological programs of concern, trends and developments in CBW proliferation, terrorism and other non-state issues and prospective members. The U.S. Del made ten presentations. Details of the exchange are provided septel.

ENFORCEMENT EXPERTS MEETING

23. (SBU) The enforcement exchange provided a valuable opportunity to share experiences, discuss methods of outreach to industry, reduce non-compliance, and strengthen export controls within the AG member countries. The 2008 Enforcement Exchange highlighted advancing capabilities in computer-based export control systems which provide interface between licensing and enforcement. Outreach to industry and awareness raising of export control laws was also a re-occurring theme of the meeting.

24. (U) Enforcement Manual: There were no changes or modifications to the manual submitted for approval to the AG Enforcement Delegates. The United Kingdom will be coordinating a comprehensive update of the Enforcement Manual

with assistance from the United States. The update will include modifications in the order of topics, some topical and chapter additions as well as condensing of the manual. The manual is expected to be published by September 2008.

25. (SBU) U.S. Presentation: The Immigration and Customs Enforcement (ICE) delegate delivered a presentation that outlined ICE legal authorities and the international scope and reach of ICE investigations. The presentation highlighted the capabilities of ICE Attaches who work with their international law enforcement partners to enforce the export laws of the United States. The presentation also included a briefing on Project Shield America, the ICE outreach to industry. This presentation explained the goals of Project Shield America which are to seek cooperation and



assistance from high technology manufacturers and the export community, to increase corporate and public awareness of the importance of export laws and controls, and to build an ongoing relationship between ICE agents and the manufacturers.

26. (SBU) Other Presentations:

-- The Netherlands gave a brief presentation focused on the challenges posed by trade in second hand laboratory equipment and was a timely reminder to members of the challenges that are posed by enforcing export controls on such items and the importance of industry outreach programs targeting exporters of this equipment. The Netherlands also showed a DVD that demonstrated the functions of an Organization for the Prohibition of Chemical Weapons (OPCW) Inspection Challenge during an exercise that was conducted in the Netherlands.

-- Croatia, a new AG member, provided an overview of Croatian Customs and briefed two cases where they were able to detect and seize two separate chemical shipments being transshipped through Croatia.

-- Italy provided a presentation that described the Italian Customs web-based application for requesting export licenses for dual-use commodities. This presentation provided a walk-through of the information that is required to complete the application process.

-- Japan provided a presentation that outlined their Internal Compliance Program, which is administered by the Ministry of Economy, Trade and Industry (METI). Outreach to industry has raised the awareness of industry to the importance of export controls and to familiarize industry with export laws and regulations. Japan reports that this has resulted in 80% of the goods that are subject to export control laws are exported by companies who have registered with METI and who have an active internal compliance program in place. Japan also described their progress on the controls of sensitive technologies in Intangible Technology Transfers. METI has established a program to conduct outreach programs to Research Institutes, Universities, and private enterprises. METI encountered a lack of awareness of controls and sensitivity of technology being developed by these entities, and are conducting education and training to explain the export laws and regulations and to stress that the academic institutions and private enterprises are responsible for Japan's national security and safety.

-- The New Zealand Customs Service provided an outline of their recent implementation of new Customs Tariff Codes for companies importing CWC chemicals into New Zealand. The New Zealand delegate provided specific examples of special challenges met (such as improper classification on import documents) and described how they were resolved.



-- Cyprus's Department of Customs and Excise reported on their export control policy. This included a description of the functions of various government agencies who share responsibility for export control. The presentation also outlined the role of the Cyprus Department of Customs and Excise, the legal framework, licensing, enforcement. Cyprus has established the Anti Smuggling Enforcement Team to establish customs inspections, detection, and surveillance activities to effectively control cargo transiting the Limassol Port to prevent its use for smuggling and terrorist activities.

-- The Republic of Korea delivered a presentation explaining their export control system. This included a brief history of the implementation of their export control laws and an in-depth explanation of their licensing system and processes

involved. The presentation also outlined outreach strategies to promote compliance to include workshops and management courses. The Korean internet-based license application, named Yestrade, allows exporters to apply for licenses and track the progress of the application process. Through the implementation of this system, and a robust outreach program, a dramatic increase in export license applications has been realized.

-- Germany provided a brief presentation on their automated risk management system. The system is a computer-based system that allows customs officers to search key information to determine if the commodity, exporter or end-user elicits an automated risk warning. A risk warning will guide the officer to conduct further inspection or to contact the Customs Criminological Office.

-- France provided an in-depth assessment and awareness raising of the possible uses of biocides and phytopharmaceutical chemicals. These chemicals are used in the pesticide and fertilizer industry. The briefing included a history of the use of these compounds, and their potential for use in terrorism. France emphasized their outreach program and highlighted a French company who has implemented internal monitoring mechanisms to prevent any theft or diversion of these chemicals.

PLENARY SESSION II

27. (SBU) Plenary Reports: AG members approved the summary reports submitted by the implementation, information exchange, and enforcement chairs. The UK suggested that AG members hold an technical experts meeting before the 2009 plenary to review the proposals deferred to intersessional discussion. The Netherlands offered to host such a meeting, suggested that AG members only send two-person delegations



and further suggested to hold the meeting around an OPCW activity to limit the travel burden.

28. (SBU) Strengthening and Maintaining the Australia Group:

-- During the 2007 plenary, AG members adopted a decision that intangible technology transfer was covered by the AG Guidelines (Ref B). Germany circulated a best practices guide to aid national implementation of intangible technology transfer measures (AG/Mar08/ExC/D/33) that focused on outreach, self-auditing and sanctions. The proposal incorporated most comments provided by AG members during the 2007-08 intersessional period. AG members agreed to adopt the best practices guide though Japan and New Zealand emphasized that the guide would be non-binding.

-- The AG chair presented the results of his national implementation survey and stated that another survey will be circulated prior to the 2009 plenary.

-- The UK informally proposed circulating a brief questionnaire for the chemical and biological industry leaders in AG member countries during the intersessional period. Using the information gathered, the UK will recommend a suitable event with industry, possibly to coincide with the AG's 25th anniversary.

-- The chair recalled a letter sent to the chair from the Chair of the UNSCR 1540 Committee requesting information from AG members on steps taken, or planned to be taken, to implement UNSCR 1540 requirements. The U.S. gave a presentation on efforts by the Organization for Security and Cooperation in Europe to draft a best practices guide for UNSCR 1540 implementation. The

-- AG members did not agree with the AG chair's proposal to withdraw 14 classified documents (including one U.S. document) from the Volume of Basic Documents, reclassify the volume to 'AG-In-Confidence' and post it on the AG Information System (AGIS) website (AG/Mar08/Inf/Chair/47). The AG chair stated that the 2008 volume will be distributed on CD-ROM and that AG members should notify the chair of any further sensitive documents that should be removed.

-- AG members agreed to a modified proposal to add a membership section to the public AG website (AG/Mar08/Inf/Chair/48.Rev1). Japan and the Netherlands expressed concern that the membership information will be

interpreted as the only criteria for AG membership.

-- The AG chair noted Ireland's recent contribution to the voluntary fund (AG/Feb08/VolCon/IRL/4) and circulated reports on 2007-2008 AG trust fund expenditures (AG/Apr08/VolCon/Chair/9). The AG chair also thanked the



U.S. and Los Alamos National Laboratory for hosting the AGIS website.

PRESS RELEASE

29. (U) The AG approved the following press release:

Media Release
2008 Australia Group Plenary

Representatives of 40 countries and the European Commission have this week concluded the annual plenary meeting of the Australia Group. The Australia Group is a cooperative and voluntary body dedicated to the adoption, implementation and enforcement of cutting-edge measures to counter the spread of technologies and materials that could assist states of concern and terrorist groups in obtaining or developing chemical and biological weapons. The plenary was co-hosted by the French Government and took place in April 14-18, 2008 in Paris.

In the 2008 plenary, Australia Group members shared information on proliferation attempts by states of concern and non-state actors. The Group discussed the detection of such attempts and counter measures, including enhancement and coordination of licensing and customs controls.

In recognition of rapid international developments in the field of synthetic biology, Australia Group members agreed to form a synthetic biology advisory body as a means of ensuring the Group is kept abreast of, and can respond quickly and appropriately to, technological developments in this area. Several changes were proposed to the Group's chemical and biological control lists, and were adopted or referred for further consideration as appropriate.

The Australia Group continued to enhance cooperative measures to deal with Intangible Technology Transfers (ITT), an area of increasing priority in the defence against the proliferation of chemical and biological weapons capabilities. Group members exchanged information on national measures for screening visa application as a means of countering ITT of concern.

While no new members were admitted to the Group in 2008, interest in membership from several countries received appropriate attention, and further engagement with these countries was approved by the plenary.

The Australia Group continues to ensure that its control lists keep pace with technological and industry developments. As a result, the Group's control lists continue to be an international benchmark for best practice controls on



chemical and biological agents and equipment, and are increasingly used as a guide for international action in this area including in the support and application of relevant UN Security Council resolutions. Australia Group members continue to ensure that nonproliferation export controls do not hinder legitimate trade and technical cooperation in the chemical biological sectors.

International acceptance of the Australia Group controls and practices are in part a result of the Group's extensive outreach to non-members and other international bodies. The Australia Group plenary reviewed its outreach efforts and priorities, and agreed to continue an active outreach program in 2008-09. Informative and cooperative outreach to domestic industry and academic sectors was emphasized as a continuing priority for Australia Group members.

Further information on the Australia Group is available at www.australiagroup.net.

LOOKING AHEAD

30. (S) The U.S. Del should take following actions over the coming year:

- Solicit comments from AG members on the U.S. proposal concerning cross-flow filtration equipment.
- Provide comments to AG members on Finland's proposal concerning software related to dual-use chemical and biological equipment.
- Consult with the UK, Canada and Australia concerning the chemical equipment issues raised by the U.S. at the plenary.
- Suggest the AG chair solicit questions from AG members regarding CBW proliferation for discussion during the next plenary's Information Exchange.
- Suggest the AG chair raise the issue of AG-controlled dual-use chemical equipment transfers to Iran during his next outreach visit to Beijing. ISN/CB should consider preparing cleared language to support the AG chair's visit.
- An information exchange presentation describing the Mantis special advisory opinion program and lessons learned from the process.
- An enforcement presentation on resellers of controlled dual-use equipment over the Internet and through online auction houses.



U.S. DELEGATION

31. (SBU) The U.S. Delegation:

Robert Mikulak, Department of State, Head of Delegation
Mark Hartell, Department of State, Deputy Head of Delegation
Andrew Souza, Department of State
Zack Bernstein, Department of State
Chris Malow, Department of State
Diane Maender, Department of State
Dustin Eward, Department of Defense
JoAnn Kohlbrand, Department of Defense
Dawn Jones, Department of Defense
Beth Scott, Department of Commerce
David Manglos, Department of Homeland Security

PEKALA

Please visit Paris' Classified Website at:
<http://www.state.sgov.gov/p/eur/paris/index.cfm>

PEKALA

